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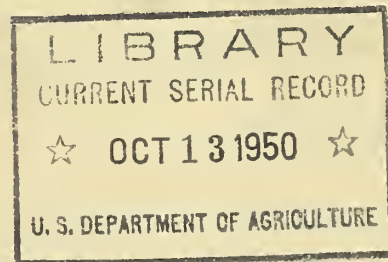
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MARKETING ACTIVITIES



U. S. Department of Agriculture
Production and Marketing Administration
Washington 25, D.C.

NATURAL CHEESE PACKAGING OFFERS PROMISE AND PROBLEMS TO INDUSTRY

By W. W. Witte Page 3

When you've heard about all the vexing problems that had to be solved before natural rindless cheese became a reality in small packages, you'll wonder if it was worth it. After you've seen its advantages, you'll be asking where you can buy it. Mr. Witte, Chief, Division of Markets, Wisconsin Department of Agriculture, has directed much of the pioneering work in the development.

WHAT HOG PRICE SUPPORTS MEAN TO INDIVIDUAL PRODUCERS

By R. H. Roberts Page 8

Mr. Roberts of PMA's Livestock Branch, clears up a number of questions relative to the hog price support program and at the same time commends producers for their orderly marketing this year.

TRUCK MOVEMENTS INFLUENCE "BAROMETER OF SUPPLY"

By John L. Buntin. Page 13

There's sound evidence that trucks are moving more and more produce, but up-to-the-minute figures on the operations just aren't available. Transportation Specialist John Buntin, Fruit and Vegetable Branch, points out the need for filling those gaps.

THE EXPORT PICTURE

By Stanley Andrews Page 18

Some import-export arithmetic soon shows up the favorable (and otherwise) aspects of our foreign trade. OFAR's Chief, Stanley Andrews, emphasizes the necessity for two-way trade, and backs up his reasoning commodity by commodity.

SELLING MORE AND BETTER PRODUCE

By Robert J. Andrews Page 23

Bigger sales and less spoilage of fresh fruits and vegetables--plus an important by-product called consumer satisfaction--are the chief returns of a retailer training program conducted cooperatively by the industry and the Department under RMA. Robert Andrews of the Fruit and Vegetable Branch has worked directly with the program since its beginning 2 years ago.

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Natural Cheese Packaging Offers Promise and Problems to Industry

By W. L. Witte

About 30 years ago an alert cheese industry, intent on improving the usefulness of its product, developed "processed" cheese which could be packed in handy, attractive packages by the manufacturer. Cheese in this form found ready consumer acceptance and soon became an important part in millions of new menus which had never before known cheese in a convenient form.

Now the industry, aided by the Wisconsin Department of Agriculture and, to some extent, by the U. S. Department of Agriculture (under the Research and Marketing Act), is perfecting methods of packaging natural cheese, with its distinctive flavor and texture, in the handy containers that have stimulated the marketing of processed cheese.

New Product Means Many Changes

In the course of this major cheese development however, both the Wisconsin Department and the industry encountered a need for serious adjustments in the entire sequence of cheese manufacturing. From the selection of the raw materials to the distribution of the final product new techniques and methods have been studied. Many of the problems have been resolved successfully; others will have to be faced in continued research before the cheese industry generally can successfully produce the natural rindless product.

During the last few years there has been a growing consumer preference for natural cheese in small packages. Consequently, more and more natural cheese has been prepackaged--generally in the retail stores, and after it has been cured and ripened. The newer methods now being developed go much further than that--they allow cheese to be molded and cured in neat, sanitary, attractive packages wrapped in durable, transparent material, generally of the pliofilm or cellophane type. Pioneering in this development has been the Wisconsin Department of Agriculture which has financed and directed a program whose practical objective has been to package natural rindless cheese in one-half, one-pound and two-pound units.

In order to demonstrate that American housewives would welcome a package of this type, Wisconsin researchers conducted an experimental sale in Detroit, Michigan. Marketing studies were also made elsewhere to determine consumer preference in the purchase of cheese. These studies

revealed that given satisfactory packaging most housewives buy cheese on a price basis rather than weight.

Summed up then, the studies indicated that a new economical method of cheese packaging at the factory was necessary. Large 70-pound Cheddar and 200-pound Swiss wheels simply could not be cut economically into small consumer packages. As a direct result a special press and "hoop" were developed for making rectangular 20-pound blocks. These blocks were then wrapped in pliofilm and cured in special curing rooms. After curing, the cheese could be cut into standard sizes and re-wrapped without loss or waste. In addition, greater uniformity in texture and appearance was obtained.

The overall objective of this program was the development of a rindless, quick-curing cheese so wrapped that the contents of the package would (1) be of uniform quality and flavor; (2) be revealingly and attractively packaged so that it is readily identified by the consumer; (3) have greater keepability than the old form of cut cheese; (4) neither mold nor dry out, and (5) eliminate rind and waste.

High Quality Key to Acceptance

Since the Wisconsin Department of Agriculture specialists knew that consistent production of cheese having a uniformly high quality was fundamental to the success of the program, it sought the wholehearted cooperation of the industry. Before any large scale production of rindless natural cheese was possible it was necessary to convince the practical cheesemaker that the new program offered him definite advantages in the distribution and sale of his product.

It was desirable, too, that the work be done by a public agency which could make its findings available to the entire cheese industry as soon as the program showed practical results. From the start it has been the goal of the Department to make its results available for the use of anyone seeking improved methods for the production and merchandising of cheese.

In undertaking the cheese packaging development the Wisconsin Department of Agriculture had no intention or desire to embark upon a program of cheese merchandising. It was necessary, however, for some organization with trained personnel and laboratory facilities at its disposal to undertake the basic research.

In its work, the Department has maintained close cooperation with a number of cheese factories. In several instances cheese plants have cooperated by installing special equipment for the manufacture of the new rindless package. In every instance, the Department has kept in close touch with these factories and has insisted that a number of technical requirements be met before manufacturing could be started. These included (1) use of highest quality milk; (2) high plant sanitation standards and removal of any sources of contamination; (3) availability of adequate and proper equipment; and (4) a comprehensive knowledge of the new method of procedure on the part of the cheesemaker.

The Department's plans involved changes in the method of manufacture, new "hoops" or forms for pressing the curd into square prints, new procedures for curing the cheese in the wrapper, and finally, a material which made a suitable wrapper itself. During the early period some 75 different kinds of wrapping materials were tested. A number of them were found to offer definite possibilities.

With the outbreak of World War II this program was greatly reduced in scope because it became practically impossible to obtain packaging materials. Enough work had been done, however, to demonstrate that the manufacture of rindless natural cheese offered definite promise in the solution of marketing problems which were limiting the use of cheese and causing the industry grave concern.

After the end of the war the program was resumed. To date the Department has worked with nearly all large chemical organizations and film manufacturers in the Nation. Over 200 packaging materials, many of them developed specifically for wrapping cheese, have been tested and the results have been very encouraging. The Department has worked with nearly all the manufacturers of transparent wrapping materials in the Nation.

Industry Cooperating on Packaging Materials

As the work with a rindless package of natural cheese continued, an increased number of manufacturers of packaging materials indicated a great interest. Several companies began experimental work, principally in developing a rubber wrapping product. More recently there has been a shift to flexible materials of non-rubber composition and one large manufacturing concern has had several of its scientists working on this program for over three years. This firm has developed a very satisfactory packaging material which is being widely used in other industries, and which may be an important factor in the success of the rindless natural cheese merchandising program.

In addition to problems of manufacture, curing, wrapping, and satisfactory storage, another difficulty was encountered. At the outset the program was handicapped by a severe lack of mechanical packing equipment. Up to a year ago practically all natural cheese packaging was done by hand. It also turned out that each of the satisfactory packaging materials presented an individual problem in wrapping. At the present time there are at least five machines which are being used with reasonable success. However, improvements may be made and they need to be adapted to the various films. The handling and especially the sealing of each different wrapper require special attachments and techniques. These are problems in which the film manufacturers are lending a hand but before natural rindless cheese production can be expanded to the proportions which the Department believes are possible, it will be necessary to have machinery designed and adapted specifically for packaging this product.

In order to carry on a study of all the processes involved under conditions where exact controls and comparisons could be obtained, the Department found it necessary to set up a cheese packaging laboratory.

Here, tests have been carried out to determine the best and most practical methods of curing and storing natural cheese. These include wrapping and curing rindless cheese in the 20-pound block size and also in cutting, wrapping, and curing the cheese in consumer-size packages cut from the original blocks shortly after their removal from the press. Through these recent studies many of the difficulties encountered early in the program have been satisfactorily solved. Much additional work will be necessary before all the wrinkles can be ironed out.

Swiss Problems Are Still Troublesome

Some of these special problems have been encountered in the packaging of Swiss, brick and bleu cheeses. While the early packaging work was done almost exclusively with Cheddar or American cheese, producers of these other varieties became interested in adapting these processes to their special varieties. However, major difficulties still are to be solved in the Swiss cheese field. For example, work must be done on securing proper eye formation as well as finding a satisfactory way of adding salt. While salt is added to Cheddar curd before it is placed in the hoops, Swiss cheese is salted by immersing the huge wheels in a tank of brine after they are removed from the press. Such a procedure cannot be followed after the small squares are individually wrapped.

Tied to these curing difficulties with Swiss is the complex problem of rindless packaging. It has been approached from two angles; (1) By cutting and packaging the conventional Swiss wheels after curing, and (2) by producing rindless blocks that can be cut and packaged. In packaging of the large cured wheels serious waste is encountered in utilizing the odd-shaped pieces left over after cutting out uniform sized blocks. In cutting a 175-pound wheel the odd-shaped pieces amount to 30 to 50 pounds, and from 15 to 30 pounds are rind and waste. Before Swiss wheels can be economically cut and packaged it will be necessary to solve the serious problem of waste. With continued work and industry's cooperation, it is hoped that these handicaps can be overcome.

Use of Pasteurized Milk Increasing

Another problem on which the packing program has thrown a good deal of light is the use of raw milk as contracted with pasteurized milk for the manufacture of cheese. From its beginning the Wisconsin cheese industry has traditionally used raw milk in cheese manufacture. With the development of new and more effective pasteurizing equipment there has been a gradual shift to the use of pasteurized milk during recent years.

In order to obtain more data, new studies were started by the Wisconsin Department of Agriculture in February 1948. In each experiment, 24,000 pounds of milk was placed in a holding tank and thoroughly mixed. One-half was then drawn off and pasteurized before being made into cheese. The other half was processed without pasteurization. The two lots were kept separate but were cured and wrapped under identical conditions, using four types of wrappers. One-half of each lot was held in cold storage at 35 degrees and the other at 45 degrees F.

Later, at two months and then at four-month intervals, cheese from each lot was examined and judged. Trained cheese judges were asked to

grade and score the cheese and to identify the pasteurized and the unpasteurized product. Correct identification varied from 58.9 percent to 95.3 percent. Identification was slightly more accurate in the case of the lower temperature curing. The average proper identification was 76.3 percent. It must be remembered, however, that the judges were experienced cheese graders and it can probably be assumed that the average consumer would have experienced considerable difficulty in separating the two groups. It was also found that in every instance of direct comparison the pasteurized milk cheese was scored higher than the raw. Thus another question was answered in favor of pasteurization, in the search for processes turning out the highest quality product possible.

Acceptance Tied to Consumer Education

When enough of these roadblocks to efficient preparation and packaging had been passed allowing sufficient production of natural rindless cheese to permit commercial distribution, the Department realized that a job of consumer education was still to be done. The average consumer was not aware of the new product's qualities and in many cases she was not able to identify it, but she did recognize the advantages of the newer package. Individual manufacturers and distributors quickly recognized its value and began merchandising on a fairly broad scale.

An important feature of this educational program was the \$75,000 display exhibited at the Wisconsin Centennial held at the State fair park in Milwaukee in August 1948. As a part of its natural cheese program, the Department prepared a display of rindless cheese and conducted a sales program. American cheese was offered in one and two pound sizes, Swiss in one pound packages, and brick in packages of about two-thirds of a pound. All of this cheese was packaged in a special "centennial wrapper". The first cheese was packaged under this label early in 1946. A careful check was made of public reaction both as to the type of cheese used and to the packages themselves.

At first it was found that the consumers were frequently in doubt as to the differences between natural cheese and the so-called processed cheese. Now, however, it appears that the consumer is rapidly learning these differences although an extensive job of advertising and merchandising will be necessary before the rindless natural package will be given full acceptance.

The centennial package also made possible a check on "keepability" of the rindless natural cheese package. One lot of 400 packages which was kept for 5 months revealed only two spoiled packages.

In general the centennial sales campaign indicated that the rindless natural cheese package has widespread appeal to the general public. The question most generally asked by buyers was, "Where else can I buy this cheese"? Perhaps the best concrete example of the success attained in this program will be found in the fact that during 1948 Wisconsin cheese producers manufactured and merchandised more than 10 million pounds of rindless natural cheese. Interest in the industry is increasing and more cheese makers every year are expressing a desire to switch to the manufacturing of this promising product.

What Hog Price Supports Mean To Individual Producers

By R. H. Roberts

Orderly marketing of hogs has paid off. All during the summer and early fall a sharp seasonal drop in hog prices seemed inevitable this fall and winter with the marketing of last spring's record peacetime pig crop. While prices have dropped from last summer's high, orderly marketing teamed with sustained high consumer demand for pork has maintained hog prices above price support levels through the first part of the marketing season.

Great credit is due individual hog producers for the way they have geared their marketings to consumer demand for pork by selling hogs at



Those hogs are "ready to go". Throughout this past fall farmers have been sending lighter weight hogs such as these to the Nation's livestock marketing centers in an orderly stream. This has helped maintain prices above support levels and at the same time has kept processing facilities running at full tilt to handle the large 1949 crop.



This producer, in looking over his year's crop of hogs, knows that they won't be ready for market for several weeks. But he, like most producers this past fall, will send them on in small lots as they reach satisfactory weights.

lighter weights and by carefully gauging market strength in shipping their hogs. Orderly marketing paid off handsomely in October when despite the heaviest federally inspected slaughter on record for that month, market prices stayed substantially above support levels. This has been important in the farm income picture, too, because returns from hogs amount to around 12% of total farm marketing dollars.

Farmers Have Practiced Orderly Marketing

In marketing this fall, farmers have been holding their hogs off when market prices started to drop too fast, but moved them at other times as fast as possible when they could without breaking the market. This has been particularly important with the large numbers coming on this winter, and its importance will not diminish in the coming weeks because there is always danger of a backlog of hogs piling up on farms. If hogs which are ready for market are not moved as fast as the market can handle them at prices above support levels, delayed marketing could well mean a glut later on. This two-fold feature--holding hogs off when prices are weak and keeping numbers coming in as long as the price is strong enough--will continue to be important.

Thus hog producers themselves may be the ones to determine whether

or not price support operations will be necessary. The Department has been ready all fall with its program aimed at keeping hog market prices in line with supports. However, the Livestock Branch points out that prices can't be held even then if farmers glut the market.

Questions on The Program

There are other aspects of the support program which may not be entirely clear to many producers. Farmers have been asking just how they can assure themselves of support prices. Some have asked if they can apply for payments or sell their hogs directly to the Government. Such questions as these indicate that the program ought to be outlined as directly as possible for the individual producer.

Under existing legislation, there is no authority for making direct payments to producers to support hog prices and the purchase of live hogs to support prices is not practical. If support operations are needed, purchases of pork products from processors will be made at prices needed to prevent U. S. average prices from falling below the support levels. Under this method, prices of individual lots of hogs could not be guaranteed.

Differentials Not Fixed

If support prices were established at individual markets, price differentials between grades and between markets would have to be established. Normally, these differentials are not fixed but change up and down from day to day and from week to week depending upon changes in supply of hogs and demand for pork at each market. The maintenance of fixed differentials could lead to a chaotic situation in the marketing and distribution of hogs and pork with an oversupply of hogs in one locality and an undersupply of pork in another.

This does not mean that, in the operation of the purchase program, areas where prices might fall out of line would be disregarded. If prices in an area started to fall too far below the national average and out of their generally normal relationship with other areas, purchases would be made to try to hold prices up in the area.

Individual Lot Price Not Guaranteed

To provide a specific support price for each producer, it would be necessary to determine the grade and value of each lot of hogs. This is impractical and too expensive to do on a Nation-wide basis. If it could be done, it would result in the same difficulties as fixed differentials.

With the program operated to support the average price of all hogs, producers should try to obtain the best possible price for their hogs in relation to the support price. If a producer's hogs are below average in quality, he should expect them to bring less than market average. If his hogs are of the best quality and bring the top market price, he should receive more than average for the area.

Hog prices vary by areas. In deficit hog producing areas, hog prices may be expected to be above the average for the county as a whole. In surplus producing areas, hogs should be expected to sell somewhat below the U. S. average price because of the expense involved in shipping the hogs or pork to consuming centers. Prices of hogs in some deficit areas, however, normally average lower than prices in surplus areas because of the lower quality of hogs in such deficit areas.

Under this program which operates through free and unrestricted marketings, the responsibility for marketing hogs at as high a price as their quality will demand rests with producers. If a producer markets his hogs when the market is glutted with more hogs than processors can handle, his hogs may bring less than support prices. However, by carefully watching the market and selling hogs when marketing and processing facilities are not over-crowded, individual producers should be able to obtain the full equivalent of support prices or higher for their hogs.

Present Support Legislation

Price support on hogs is required at 90 percent of parity through December 31, 1949. After December 31, support may be at any level from zero to 90 percent of new parity under the Agricultural Act of 1949. However, the Department has announced that prices will be supported at 90 percent through March 1950, to give the 1949 spring pig crop the same level of support in the last half of the marketing season as in the first half. Parity is based on the U. S. farm price.

If hog price support operations are needed, they will be conducted to maintain the U. S. average farm price of hogs at monthly support levels. Monthly support prices vary in accordance with usual seasonal price variations. This means that the higher support levels are in the months of normally small marketings and the lower support levels in the months of normally large marketings. This tends to encourage orderly marketing of hogs and to even out the marketings over the different months of the year.

Guides Reflect Week-to-Week Variations

Under present authority, the method of carrying out hog price support would be to remove from commercial channels any amount of surplus pork that is necessary to prevent hog prices from falling below established support levels. Weekly support guides have been established to show the average market prices that are needed for farm prices to average out to the support levels. These guides reflect the week-to-week variations in monthly support levels.

The guides also reflect the relationship between the monthly support figure for all classes and grades of hogs and the combined average weekly market price of barrows and gilts at 7 midwestern markets: Chicago, St. Louis National Stockyards, South St. Paul, Sioux City, Omaha, Kansas City, and South St. Joseph. While these guides are not support levels, they provide a practical method of comparing support prices with actual market prices from week to week.

Weekly guides through March 31, 1950 and actual average market prices of barrows and gilts at the 7 midwest markets follow:

Support Guide		Barrow and Gilt		
<u>Week Ended</u>	<u>Dollars per 100 pounds</u>	<u>Average Price at 7 Markets.</u>	<u>Week Ended</u>	<u>Dollars per 100 Pounds</u>
Oct. 1	18.25	19.48	Jan. 7	15.00
8	17.85	18.39	14	15.25
15	17.45	18.18	21	15.50
22	17.05	18.27	28	15.50
29	16.65	17.85		
Nov. 5	16.25	16.76	Feb. 4	15.65
12	15.85	16.03	11	15.90
19	15.45	15.60	18	16.15
26	15.05	15.47	25	16.40
Dec. 3	14.75	15.22	Mar. 4	16.65
10	14.75		11	16.65
17	14.75		18	16.65
24	14.75		25	16.65
31	14.75		31	16.65

If support operations become necessary, pork products would be purchased since the purchase of live hogs is not feasible. Purchases would be made from packers operating under Federal inspection since pork produced by other slaughterers cannot be shipped across State lines nor exported from the United States. Pork purchased under the program would be disposed of through the school lunch program, to public institutions and through export for foreign countries.

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NAMO ELECTS OFFICERS FOR 1950

Matt Jennings, Chief, Division of Markets, Tenn., has been elected president of the National Association of Marketing Officials for the year 1950. Other new officers elected at the organization's 30th annual convention held October 10 in New York City are: First Vice-President, J. H. Meek, Director, Division of Markets, Virginia; Second Vice-President, Miles Nelson, Chief, Bureau of Marketing and Enforcement, Michigan; and Secretary-Treasurer, Fain G. Cesar, Director, Marketing Division, Oklahoma.

During the Convention at New York, several days were devoted largely to an inspection of the marketing facilities of that city. The officials visited the Washington Street Market, the auction markets on the docks, live and dressed poultry markets, the wholesale flower market, and two retail food markets operated by the City of New York. In addition, dairy and fruit farms in New York State were visited as well as egg and fruit and vegetable auction markets and a large dairy farm in New Jersey.

Truck Movements Influence "Barometer of Supply"

By John L. Buntin

The average consumer doesn't care whether his food has been transported to his local market by mule train or jet plane so long as the job has been well done. This indifference is evidence that good service has been performed, for consumers don't worry about services that are absolutely dependable.

You can be sure, however, that someone is concerned with the prompt and efficient movement of food, for the job is as tremendous as it is important. For that reason any fundamental changes within the transportation system are of great interest to the agencies which report on this movement. Among them is the Production and Marketing Administration of the U. S. Department of Agriculture, whose Fruit and Vegetable Branch is particularly interested in trends in transportation of fruits and vegetables.

"How" as Important as the 4 "W's"

Through its Market News Service, PMA charts the rail movement of produce to large centers of consumption. Knowing how this food is being moved is a vital part of the whole transportation picture. An accurate breakdown on rail and truck movement is essential to provide a clear picture on availability each day for the total volume.

Such data amount to the best "barometer of supply" available in the produce industry. Any sudden and unknown change in the volume in transit can create serious problems at terminal markets. Because of the increase of truck transportation, the daily shipment releases restricted to rail and boat movement no longer give a true picture of the actual situation. In fact, there have been many instances when unreported sudden increases in truck movement of a commodity have weakened prices at a terminal market, resulting in heavy financial losses to growers, shippers and receivers. If in these cases daily truck shipments had been released on the same basis as rail, all phases of the industry would have had a better chance to adjust their operations accordingly; in other words, the supply barometer would have more readily served its purpose.

There are other advantages in having a reliable and complete check on commodity movements. Such data enable the industry to adjust for sectional deficits or gluts; railroads are able to anticipate general car needs by areas, and more important, refrigerator car demand by specific

location. Package manufacturers can meet their schedules more precisely, and processors are better able to gauge their operations. In an overall sense, accurate statistics on movement of perishables enable the industry to operate more efficiently, resulting in more reasonable prices for consumers and increased returns for producers.

When, in the early 20's, the transportation to market of fresh fruits and vegetables was confined largely to rail and boat, the daily shipment releases of the Market News Service gave an excellent picture of current movement. This, coupled with the arrival and "cars on track" reports also released daily for several important terminal markets, made it possible for the fruit and vegetable industry to determine the trend of available supplies each day for the various markets in the United States. Even though produce was shipped for 3rd or 4th morning delivery - or even 11th or 12th - fairly accurate receipt estimates could be made.

Truck Movement Difficult to Tally

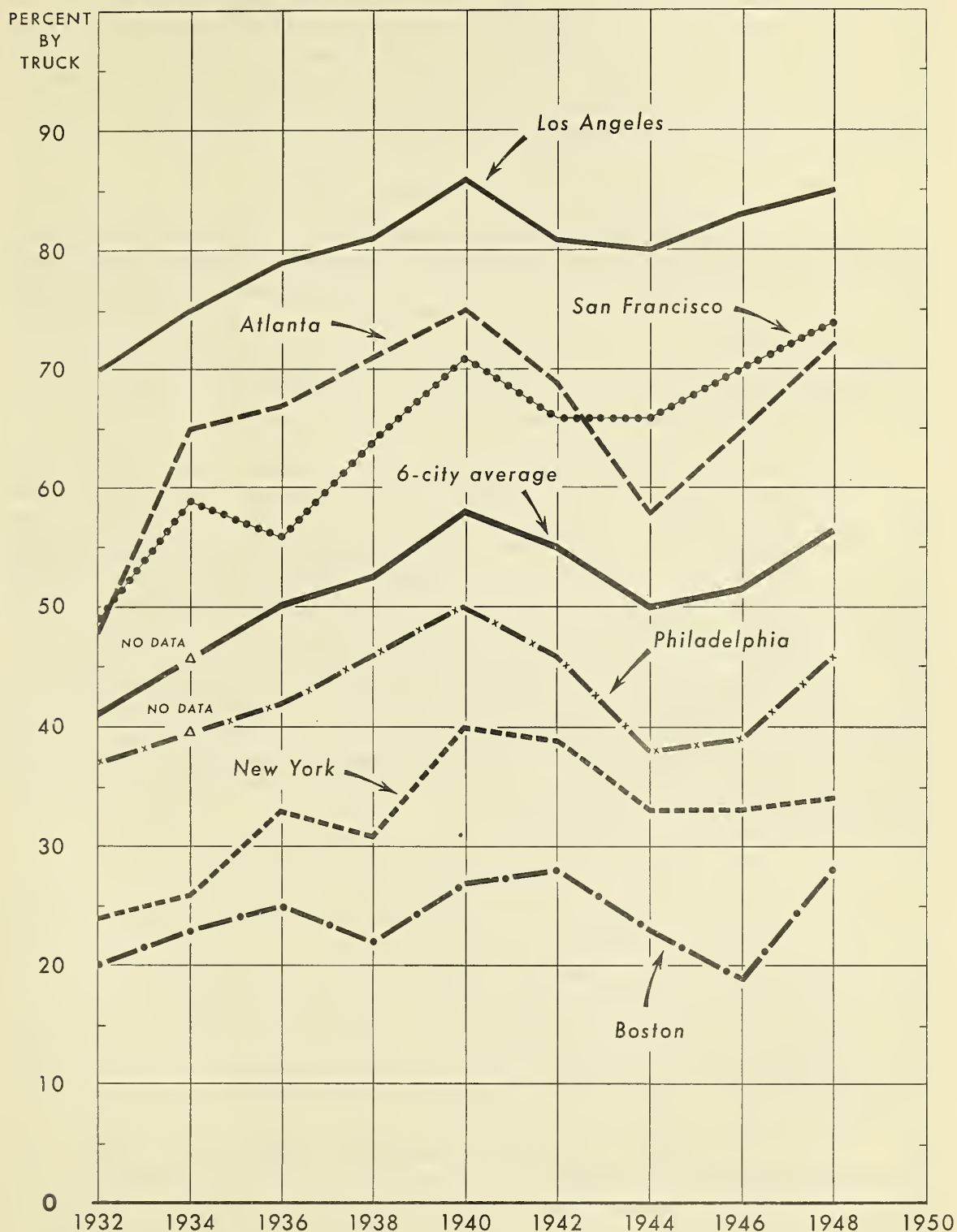
In the late 20's a noticeable volume of truck movement became apparent, and by the late 30's this trend had grown until it was estimated that one-third of the total fresh fruits and vegetables going to market moved by trucks. Unfortunately, such estimates were based on reports which lacked the detail and completeness of the data on rail and boat shipments. Truck operations by nature are difficult to tabulate and in most cases they are unscheduled and unreported. Inclusion of these increasing quantities moving by truck in timely releases of the Market News Service is essential. This would enable the industry handling these products to better determine the flow of supplies to market under current conditions.

Evidence of growth of trucking has come in through the side door, so to speak, in the form of statistics showing that railroads handle a declining proportion of the total tonnage. During World War II truck movement declined temporarily, as truck replacements and repair parts became unobtainable. A second factor was the motor carriers' shift to movement of urgently needed and less perishable war materials. Beginning in 1947 this temporary trend was reversed. Today, many individuals in the produce industry feel that 40 to 50 percent of the commercial movement of fresh fruits and vegetables is now by truck.

Chart Shows Receipts in 6 Cities

As is indicated in the chart showing percentages of total shipments represented by truck receipts of fresh fruits and vegetables in six major cities, there is considerable variation as between the cities. It will be noted that a very high percentage of receipts in Atlanta, Los Angeles and San Francisco move by truck. This is largely due to these cities being located within the general proximity of heavy producing areas. Truck receipts at Boston, New York and Philadelphia include considerable seasonal movement from nearby production areas; however, as a whole these cities receive a considerably lower percentage by truck than those in the South and Far West. The trend for each of these cities, as well as the 6-city average, follows the same general pattern with the exception

FRESH FRUIT AND VEGETABLE RECEIPTS BY MOTOR TRUCK IN SIX IMPORTANT TERMINAL MARKETS, AS PERCENTAGE OF TOTAL RECEIPTS, 1932-48



of New York during the period 1944-48. This is possibly due to the fact many towns and cities formerly supplied with fruits and vegetables from the New York City market now receive these items direct by truck. Data on truck receipts in Chicago, which have been collected only during recent years, were not included in the chart. However, receipts during the period of collection followed the same pattern in Chicago as in the other markets. The average trend indicates the movement by truck may be expected to continue a gradual increase until such time as some balance is achieved in the use of various types of transportation.

Nation-wide Rail Shipment Decline

While the statistics available for the chart are not complete through 1949, reliable data show that nation-wide movement of fresh fruits and vegetables by rail through November shows a 12 percent decline compared with same period for 1948. Although comparable data on truck shipments are not available, it is believed that the total volume marketed has not declined. The only conclusion is that trucks have taken up the slack. Air transportation has also increased, but it totals only a small fraction of this unspecified movement.

Data on truck receipts are collected for several large cities, and truck shipment figures are available for a very few commodities and States. But the national picture for daily truck receipts and shipments is far from complete. As a result, the Market News Service has received numerous requests for inclusion of such data in its releases. The Service, however, has not been inclined to request funds needed to attempt collection and dissemination of truck shipments and receipts on a nation-wide basis until workable methods could be devised, and the costs estimated. This position has been adopted because practically all truck movement of fresh fruits and vegetables is handled by contract truckers, grower-shipper-receiver-owned trucks and itinerant truck merchants, none of which maintains systematic accounting methods required of common carriers. Therefore, serious operating problems are to be expected in the collection of such information.

RMA Project Concentrated on Strawberries

Early in 1949 a project under the Research and Marketing Act was undertaken to survey prevailing conditions in the various shipping areas with respect to truck movement of fresh fruits and vegetables, in an effort to develop methods for collecting and disseminating this information. During the first six months of 1949 this project was concentrated on the truck movement of strawberries from the States of Florida, Louisiana, Arkansas, Tennessee, Kentucky, North Carolina, Missouri, Illinois, Indiana and Michigan. It was discovered that truck movement of strawberries from these States varied from 35 percent of the total to the entire movement. The study showed that this information could be obtained. The sources of information for daily truck shipments in these States were the principal shippers, established auctions, farmers' central markets and Federal-State inspection records, depending upon the conditions existing in the different areas. After conclusion of the work on strawberries the project was broadened to include other commodities with satisfactory re-

sults where the majority of the marketing was conducted through organized channels. On certain commodities in some areas it was found there was some truck movement direct from the farms. Up to the present time no practicable method has been devised to obtain satisfactory reports of truck shipments each day on commodities moving direct from the growers, which usually means the truck load was purchased by an itinerant truck merchant, or hauled to market in the grower's truck.

Much emphasis will be placed in the future on this direct-from-farm movement, and it is felt eventually a method will be devised to make a reasonably accurate estimate of such movement from the various affected shipping sections each day. The survey with respect to movement in so-called normal wholesale channels is being diligently pursued in the various shipping areas. It is hoped that the results will bring to light ways and means of collecting and issuing each day data on the movement of fresh fruits and vegetables by truck, as is now done for rail and boat shipments.

When it becomes possible to provide this additional information, the fresh fruit and vegetable producers and distributors will again be in position to more satisfactorily and equitably market these perishable products through use of this "barometer of supply."

* * *

FRUIT "ESSENCES" NOW FREE OF ALCOHOL TAX WILL BOLSTER NATURAL FRUIT FLAVORS

Consumers should soon be getting food products with finer natural fruit flavors, say U. S. Department of Agricultural researchers. Changes in the alcohol-tax laws, ordered recently by Congress, now permit manufacture of fruit "essences" without payment of the \$9-per-gallon tax formerly imposed. These flavor concentrates must still meet certain requirements, but Department scientists in the Bureau of Agricultural and Industrial Chemistry expect that the new regulations will result in rapid expansion of the fruit-essence industry--and in tastier fruit-flavored foods on your grocer's shelves. The process for recovering and concentrating the volatile fruit concentrates of fresh apples and of grape juice has been developed by the Bureau at its Eastern Regional Research Laboratory in Philadelphia.

One promising use for fruit essences is in preparing full-flavored, concentrated fruit juices. Diluted with water before serving, concentrated juices containing flavor essence make beverages that have a delicious natural flavor and aroma. Being concentrates, they are relatively less expensive to ship and store than the bulkier single-strength juices.

Fruit essences can also be used to improve the flavor of cooked or pasteurized fruit products, which ordinarily lose much of their taste quality during processing because their volatile flavor constituents are driven off. Fruit essences are already being used in carbonated beverages and candies. Other potential outlets for large quantities of flavor concentrates are in the production of ice creams, ices, sherbets, table syrups, and gelled desserts.

The Export Picture

By Stanley Andrews

During the past 10 years a world preparing for war, at war, and cleaning up the mess after the most disastrous war of modern times, made a seller's market for about everything American farmers were able to produce. But that condition is now over; a buyer's market is here.

Although there is still in the United States an enormous unsatisfied market for many of the items in our farm production which some now are beginning to call a "farm surplus", these greater supplies create a problem which challenges our own national policies on marketing and distribution. Of great immediate concern are those portions of our national agricultural production which have moved into international trade channels. Careful students of production and marketing argue that a healthy industrial or agricultural plant requires that year after year about 10 percent of the value of our farm production must be exported. So, let's look at that 10 percent which most people agree is essential if farmers of this country are to maintain a healthy and prosperous farm business.

The Need for Food

Our farm exports are a part of international trade and they must compete for the attention and the dollar exchange with other items which nations and peoples of the earth desire. During the war, food was just as valuable as bullets and from our own war experience we can testify that we saw artillery shells rationed on the fronts of Europe in order that some ships could be spared to haul food for the destitute populations back of the fighting line which had to be fed if they were not to become a terrible liability. The choice was easy then; food was bought. In the days after the fighting stopped we saw individuals take their jewelry, their last piece of old silver, their china, their fine old paintings and their last penny to buy a little food. We saw nations with gold bars which carried crests of a proud history for 500 years take that gold out of their vaults and place it in the channels of world commerce to buy food for their peoples. As a representative of a foreign government told me in Washington in the summer of 1947 when he was begging for the permission to pay \$3.50 per bushel for wheat from this country, "Food is cheap at any price for a starving nation." So American farmers, who by their effort and their enterprise had produced these great crops, were able to sell them not only for the relief of the hungry of the world but at considerable profit to themselves.

But now the world's bare cupboards are filling up again. Textile fibres have come out of the warehouses and out of the fields and many countries do not find it necessary to sacrifice their life's blood for

food and fibre from the outside. From here out we are going to find it more difficult to sell the things we wish to sell in the markets of the world. This is all bound up in a lot of things such as currency convertibility, tariffs, quotas, prices and restrictions of all sorts. The fundamental reason, and one we may as well face up to, is the fact that we are much more willing to SELL TO the world than we are willing to BUY FROM the world. International trade, and we are more and more going to realize it, is a two-way street, not a one-way street - though taking note of some of our recent trading history one would almost come to the conclusion it is a one-way street.

To put it another way we have shipped from the United States since 1914 goods and services, including the military aid sent to Europe in the two wars, totaling \$101 billion more than we have shipped in. If we take the strictly military aid out and confine the sums to only goods for so-called normal peace-time needs, we find that we have sold and shipped to Europe some \$52 billion worth more goods than we have imported. This gap between the imports and the exports has been filled in primarily with gifts, loans that have never been repaid, and the movement of gold out of Europe to be buried in a cave in Kentucky.

ECA And Farm Exports

To bring all this down a little closer to the present situation, our exports in the past 3 or 4 years have roughly averaged \$6 billion a year more than our imports. This gap has been made up largely by ECA aid and military spending for the relief of the occupied areas. Farmers are vitally interested in that figure because nearly 60 percent of that \$6 billion each year has been spent for agricultural products and in the present year the percentage of such aid that is going to agricultural items is still around that figure. Specifically, of shipments abroad during the first 6 months of this year, 65 percent of our cotton, 60 percent of our wheat, 25 percent of our rice, 60 percent of our tobacco, 25 percent of our fruits and 45 percent of our fats and oils were financed by ECA or military funds. By this I do not wish to infer that some of these exports would not have been possible without ECA or other spending or gifts on our part but most assuredly the volume would not have been anywhere near as great as it was save for the simple fact that we are literally giving foreign countries the money with which to buy a great volume of our goods and thus keep up our export.

In order to bring this down to cases, let's look at a bit of history of some of the agricultural items in our international trade. We are not trying to draw conclusions from the figures I am about to give but as farmers and as national leaders of farmers we may as well look squarely at them.

COTTON. Since our parities all more or less start with some base period in comparison with some other period, let's take cotton in the base period. In the period 1909 to 1914 United States grown cotton moving in international trade represented 69 percent of all of the cotton moving in world trade. If we move up to the so-called pre-World War II period, 1934 - 1939, we find American cotton holding 41 percent of the interna-

tional trade in cotton. Jumping then to the 3 years following the collapse of Germany and Japan we have averaged 36 percent, the percentage in one year being as low as 23 percent, and in the season just closed, 45 percent. Sixty-five percent of that cotton was paid for by ECA.

WHEAT. In this same base period, 1909 to 1914, 16 percent of the some 675 million bushels of wheat moving in international trade annually came from the United States. Again in the 1935 - 1939 pre-World War II period, we had only 7 percent of the 545 million bushels then moving in international trade. If we move ahead to the same three post-war years, 1945-46, 1946-47, and 1947-48, we get quite another picture with United States exports of flour and wheat running at the all-time high of 503 million bushels in a single marketing year. But more significant, roughly 365 million bushels of that wheat moved to ECA and military zones as a result of direct appropriations of the United States Treasury and only 10 percent of that great total movement of wheat came by the use of normal import and export trade. Thus we furnished the money for 73 percent of that 503 million bushels of wheat.

FATS & OILS. In the 1910-1914 period 21 percent of the world trade in fats and oils came from the United States mostly in the form of lard. In the pre-World War II period only 4 percent of the total movement of fats and oils in international trade came from the United States and that was again principally lard. But in the past 3 post-war years, 30 percent of all fats and oils moving into international trade was from the United States and this time principally soybeans, peanuts and lard. Army and ECA paid for 45 percent of these fats and oils exports since April 1948.

The Rice Picture

Now let's take a look at rice using these same base periods. In the first one, 1909-1914, only one tenth of 1 percent of the total movement of rice in world markets came from the United States. That figure still stood at 1 percent in the pre-World War II period. But since 1946 the picture has changed. In the 3 seasons since that time we have raised about 16 percent of all the rice moving in world trade channels. And this in spite of the fact that our rice production is only slightly over 1 percent of the total world production.

FRUITS. Fruits, fresh and processed, represent a very small item in our export picture but they are an important small item. Contrary to the usual opinion the United States in most years is a net importer of fresh fruit when we include bananas in the import list. And again, in spite of a lot of noise to the contrary, our exports of dried, fresh, and processed, in terms of fresh, fruits have been increasing over the years. Back in that base period about which we talked for other products, 1910-1914, our exports, on a fresh-fruit basis, were 530,000 tons annually. In the 1934-1939 period exports averaged 1,468,000 tons and in 1947-48 they were about 1,432,000, in 1948-1949, slightly lower, at 1,005,000 tons. Thus, when we look at the fruit business on a national basis, we find ourselves with surpluses, seasonal and otherwise, of specific items. We are also dealing with items which normally we do not expect to move into international trade in a great volume except perhaps

to our neighbor, Canada. There is the dried fruit industry on the West Coast which used to have important export outlets and we exported principally to Europe, annually, around 100,000 tons of prunes, raisins, and dried peaches. The dried fruit industry on the West Coast was built up largely on exports to Europe. While there will likely be a small market for these items in Northern Europe in the future, there is little chance of anything like the former volume ever being realized. This results from some rather basic facts. First, there's the dollar shortage. In spite of the fact that people may want these dried fruits, scarce dollars will not be sacrificed for them. Second, such fruits in rather large volume are now available from Mediterranean areas and these areas buy things from Europe and sell their fruits. Third and last, modern transportation and handling methods of fresh fruits are coming to Europe and the expanding production of Italy, to some extent, Spain, and more particularly the Palestine, Lebanon, and North African areas, simply means that Europe is going to do just what the United States is doing - eat fresh and frozen fruits instead of dried ones.

TOBACCO. Let's look at tobacco. The picture, on the surface, looks pretty good. Again taking the base period, 1909-1914, our exports of leaf, farm weight basis, totaled 445 million pounds annually and accounted for 45 percent of the total tobacco moving in export trade. During the prewar years, 1935-1939, our exports were 470 million pounds per year reflecting the great increase in tobacco consumption the world over. But we still had 38 percent of the world's tobacco exports. Coming down to the 3 post-war years the situation is confused if nothing else. In 1946-1947 we had 53 percent of the total world trade; in 1948 we dropped to 42 percent of the world export and this year we are handling a greater percentage with about 35 to 50 percent of the tobacco being financed by ECA or other directly donated funds.

Agricultural Export Total
Depends on Many Factors

In citing these figures, I have steered clear of increased world production of all items, increasing consumption, and many other factors which influence the total crop farmers may have to sell. I have confined my discussion to the portions of the crops moving out of the United States into international trade with relation to the world movement of such products in international trade.

It can be seen that, except in minor instances, we are already the residual suppliers of most of these items in world trade. In other words, with the possible exception of tobacco, countries are buying from other markets to the extent they can and from the United States to the extent they are compelled to buy or to the extent that we furnish them the wherewithal to buy. That's not a pretty picture. In summary let's look at a few of the unfavorable factors in the world situation and then some of the brighter-hued aspects. The unfavorable first;

1. World production of food and fibre is catching up with effective demand. There are not the desperate shortages of a few months back.
2. There are still too many quotas, tariffs, excises and regulations which prevent the normal movements of goods in international trade.

3. There is the dollar shortage and the inability of nations short of dollars to sell their goods in dollar markets - in other words, our reluctance to buy goods from dollar-short areas.

4. The desperate drive for all nations to try to become self-sufficient at all costs is an important factor.

5. There are the high United States support price for farm products which might move in export trade.

6. The rise of synthetics and substitutes for fibre is causing concern in many areas of utilization where cotton once reigned supreme.

7. ECA and Army spending are expected to be reduced during the next 2 or 3 years.

Rising Living Standards Mean More World Trade

Now for the more favorable factors:

1. The world's population continues to rise and world production in terms of per capita is still below prewar. Nations will continue to make desperate efforts to meet the increasing demands of their peoples for better food and clothing.

2. Devaluation of the British pound and other currencies forecasts improvement in the exchange of goods between countries.

3. Efforts are being made, notably in Europe, toward a more multilateral trade.

4. Normal areas from which many countries once drew some of their supplies are now cut off:

a. The Danube Basin and Russia cut off from Europe,

b. China is cut off from countries in the Far East and Europe.

5. Countries must have supplies above and beyond their own production--and they need and desire our products.

6. American farmers, traders and government have a lot more experience in working together to solve trade problems than they did 20 years ago. This is true both domestically and internationally.

* * *

PRICE SPREADS SUMMARIZED

Now available upon request to the Bureau of Agricultural Economics is the bulletin "Price Spreads Between Farmers and Consumers," by Richard O. Been, Agricultural Economist in the Bureau. The Publication, Agricultural Information Bulletin No. 4, summarizes farm-to-retail price spreads and marketing charges by months for the period 1943-49 and as unweighted annual averages of monthly data for earlier years.

Selling More And Better Produce

By Robert J. Andrews

Bigger sales and less spoilage of fresh fruits and vegetables are the chief results of a national retailer training program started a little more than two years ago in Amarillo, Texas. The practical classes are conducted under the Research and Marketing Act of 1946.

When MARKETING ACTIVITIES first reported on the program in an article entitled "Training Courses Aid Food Retailers" (October 1948), more than 600 classes had been conducted in 41 cities in 18 States, and 6,100 retailers and employees had been trained. Now, a year later, more than 14,000 persons throughout the country have taken the training in



The classes are small and informal, and after the instructor has given his demonstration, each trainee learns by doing the special practices himself.

produce retailing, and more classes are being formed right along in an increasing number of cities.

Even more impressive than the extent of participation are the figures showing that out of 1,881 retail stores turning in results of the December 1949

program, more than 95 percent have reported that sales were up and spoilage down. That means better business for both merchant and farmer.

An odd factor in this highly effective program is that there is little or nothing new in it. Good ways of handling and merchandising produce have been known for years to some of the big grocery chains and also to some independents. But, for various reasons, the know-how just failed to spread through the Nation's food retailing system.

Too many grocers have had a habit of dumping everything from green peas to hubbard squash on the display rack, pretty much helter-skelter, and leaving them there until they were sold or had deteriorated to such an extent that they had to be thrown out. At long last, something has been done about it in a big way.

New Techniques Practiced in Classes

Across the Nation classes are being conducted by the United Merchandising Institute of the United Fresh Fruit and Vegetable Association, working under contract with the Department of Agriculture through the Fruit and Vegetable Branch of PMA. Retailers and their employees are given an intensive one-day course in trimming, preparing, displaying, storing, and merchandising fruits and vegetables, and also some instruction in buying, pricing, and record keeping.



Fruits and vegetables are arranged to take full advantage of natural color contrasts so that they look even better than "just good enough to eat".

But this is no mere lecture course. Classes are restricted to a small number of trainees, usually 12 or fewer, and every trainee actually handles produce, trims it, and helps to build attractive displays and to store the "left-overs" properly so as to keep them in good condition over night. All of the trainees learn by doing.

Proper trimming, display and storage are three of the key points in the instruction. The results are obvious--certainly to the customers, who find on the store racks fresh, attractive fruits and vegetables, arranged to take full advantage of the natural color contrasts and looking even better than just "good enough to eat". Experience has proved that this attractiveness in the display leads customers to buy more than they did before the improvements were made.

And this attractive appearance is not deceptive, either; for proper handling and care results in maintaining high quality in the produce played.

Reasons for the improved sales and lowered spoilage rates are not hard to find in the reports that trainees have sent to PMA. The reports show a high degree of acceptance and application of the improved methods of merchandising that were taught.

Eleven Points Highlighted

The subject matter of the instruction was classified into 11 practices, and retailer trainees were asked by PMA to report on their actual adaption of the practices taught.

The 11 points are: 1, trimming vegetables as taught in the school; 2, planning color contrast in displays; 3, watering the items that need it while on display; 4, using featured or "high-lite" items to increase sales; 5, using mass display techniques; 6, using "selective displays", arranged so that the customer can select the fruit or vegetable she wants without bruising or disarranging the rest; 7, using a short-cut method for rapidly computing selling prices; 8, using recommended simplified record-keeping forms; 9, price-marking all items; 10, making one person in the store responsible for the produce department; 11, removing the more perishable items to a cooler or a produce barrel at night.

Of the retailers reporting who had not previously followed the practices recommended, 98 percent adopted the trimming practices demonstrated; 89 percent adopted color contrast in planned displays; and 87 percent adopted the watering practice. Six other recommended practices were adopted by 60 to 75 percent, and only two practices were adopted by less than 50 percent.

More than 400 unsolicited letters have been received from retailers who took the training, nearly all of them telling of the effectiveness of the course and stating that it has led to increased sales and decreased spoilage of produce. A few very enthusiastic retailers commented that their sales had risen as much as 50 to 100 percent over previous levels, and reductions in spoilage ranged as high as 80 percent.

And the enthusiasm for improvement went farther even than application of the specific practices taught: More than 45 percent of the retailers who reported said that they had improved or remodeled their produce departments after taking the training. These 852 retailers did everything from making minor improvements to remodeling the entire store.

Of those who reported making improvements, 42 percent said they were installing new display racks equipped with drains; 16 percent remodeled their present racks, and 8 percent installed refrigerated racks. The other 33 percent made miscellaneous improvements; a few remodeled the entire store.

Many Want Encores

Scores of retailers suggested that the course be repeated each year, both as a refresher for those who had taken it before and for new trainees. This suggestion has been adopted in several instances. Others proposed that growers and shippers be invited to attend the classes or that special classes be organized for them, and some wanted the courses lengthened with more points included or more time devoted to each of the points in the present type of instruction.

Copies of a detailed report on the training program are available from the Information Branch of PMA, Washington 25, D. C.

* * *

FRESH PRUNE JUICE--AFTER 25 YEARS

Drink a glass of prune juice to the food technologists of the University of California! They have worked 25 years to find a good way of getting juice from fresh prunes, but the problem was as tough as the pectin, the substance responsible for the heavy consistency of fresh prunes.

This heavy texture made it almost impossible to obtain juice from prunes by pressing. Only during the last three seasons the food technologists found a way. They steamed and cooled the crushed or pulped prunes and then treated them with a pectic enzyme that destroyed the pectin. Fruits so treated give a good yield of red to deep pink juice of rich, fresh prune flavor. The product is readily preserved by pasteurization in cans or bottles, or by freezing.



Packing the fresh vegetables in the iced produce barrel is an essential for good overnight care.

Marketing Briefs

Dairy.--Indefinite postponement of the public hearing called for December 12, to consider a proposal for establishing a Federal order to regulate the handling of milk in the Washington, D. C., milk marketing area was announced December 7 by USDA. Postponement until the latter part of February was requested by the Maryland and Virginia Milk Producers Association, Inc. Because of uncertainties affecting this date, Department officials stated that it was considered advisable to hold the hearing subject to further call on at least 15 days notice. . . December 6, USDA announced its approval of proposed action to establish minimum farm milk prices in the Nashville, Tenn., milk marketing area at \$4.80 per hundredweight for Class I milk and \$4.30 per hundredweight for Class II for the months of January through March 1950. These prices would be 40 cents per hundredweight below the minimum prices effective through December but could be somewhat higher than the minimum prices which otherwise would be in effect beginning in January, Department officials stated. Before the proposed minimums can go into effect, they must be approved by two-thirds of the dairy farmers regularly supplying the Nashville market.

A new long-range method of fixing minimum prices to be paid to farmers supplying the New York market for that part of their milk classified as Class I-A (primarily fluid milk), was recommended by USDA December 16. The new method is designed to cause the Class I-A price to change automatically in response to changes in economic conditions which affect the market supply and demand for milk in New York. Under the recommended method, a base price would be adjusted by (1) changes in the general level of all prices, (2) changes in market supply and demand, and (3) a schedule of seasonal changes designed to encourage more even seasonal production of milk. The new pricing method would become a part of the Federal milk marketing order regulating the handling of milk in the New York metropolitan marketing area (Order No. 27).

Fruits and Vegetables.--The Secretary of Agriculture December 6 approved proposed amendments to the Idaho-Malheur County, Oregon, potato marketing agreement and order and also directed that a referendum be held among potato growers in that area to determine if they favor or approve issuance of the amended order. Under the amendments the administration of the marketing agreement and order will be, as it has been in the past, in the hands of an 8-member committee--5 growers and 3 handlers. They can recommend not only that potato shipments may be regulated by grade, size, and quality of any or all varieties of table stock, for any or all portions of the production area, during any part of the season, as now, but also, similar or different regulations for exports, for seed,

for manufacturing, or for livestock feed. In addition, the committee may recommend that potato shipments must comply with certain maturity requirements similar to those which were in effect this past fall from mid-September to the first of November. . . November 25, USDA announced a purchase of 240 tons of size 50/60 dried prunes at \$207.00 per ton. All purchases were made from processors in Oregon and were conditioned upon payments to producers of 7 1/2 cents per pound, basis. Distribution will be made to the school lunch program and other eligible outlets, probably during January and February 1950.

Grain.--Small export allocations for the 1949-50 crop season of certain grass and cover crop seeds to meet current needs of areas dependent on U. S. supplies were announced December 5. The kinds and the amounts were as follows: Red clover, 250,000 lbs.; crimson clover, 100,000; hairy vetch, 250,000; common vetch, 250,000; purple vetch, 200,000, and Austrian winter peas, 500,000. These allocations are in addition to a previous 1949-50 allocation of one million pounds of timothy seed which was announced October 5.

Livestock.--Meat sales increased in 46 out of 51 stores that converted their service meat departments to the prepackaged, self-service method of merchandising, and customer reaction to the innovation was good at all but 2 out of 97 self-service stores surveyed, according to a PMA report. The study, made under authority of the Research and Marketing Act, covered costs, packaging methods and materials, merchandising practices, and some of the unsolved problems in selling meat on the self-service basis. The survey covered 65 chain and 32 independent stores in 80 cities in all sections of the country. Of the stores, 51 had converted from service to self-service, and the remainder had been self-service since opening. Other factors than the shift to self-service may have been partly responsible for the increased sales, notably the fact that, in making the change, the stores generally modernized their meat departments. However, the volume of sales usually rose after the change and then leveled off at materially greater totals than had been achieved on the service basis; and the number of stores having self-service meat departments rose from about 400 in operation at the time of study to about 1,200 in less than a year.

Poultry.--As of December 9, USDA has been offering for sale to domestic outlets, holdings of approximately 725,000 pounds of 1949-crop turkeys purchased for price support purposes since August 1. The frozen and New York dressed turkeys are being sold f.o.b. their present location, in carload lots as purchased, on an offer and acceptance basis. The Government-owned turkeys are being offered to domestic buyers because a large part of the 725,000 pounds purchased for price support so far this year represent turkeys of the smaller sizes. Prices of such turkeys have advanced recently to levels somewhat above support prices. Since this advance indicates that such turkeys may be in relatively short supply, USDA is making its stocks of these birds available to consumers. The turkeys available are frozen New York dressed hens and toms in lots containing at least 70 percent U. S. Grade A quality with the remainder of U. S. Grade B quality. . . On December 5, USDA amended the 1949 turkey price support program to permit producers or their agents or

cooperative organizations to sell turkeys which were processed between August 1 and December 31, 1949, to the Commodity Credit Corporation during the month of July 1950. This action is being taken in response to re-requests from producers that they be permitted to offer any unsold 1949-crop turkeys to CCC in July 1950. The change will give producers and cooperative organizations opportunity to store turkeys before January 1, 1950. If the turkeys are not sold in commercial channels before July 1 the producers or cooperative organizations may offer them to the Government and obtain prices for the dressed birds reflecting the support level for live birds which prevailed for the August 1 through December 31 period - the 1949 marketing season.

Sugar.--November 23, USDA announced that the total amount of the current sugar quota for Cuba for 1949 has been entered or certified for entry into the continental United States. Certification was granted on the final cargo on November 23, 1949. A small additional quantity may be permitted entry if remaining cargoes outturn less than certified weights. Of the total quota of 3,092,976 short tons, raw value, approximately 369,000 short tons, raw value, were charged as direct-consumption sugar within the statutory limitation of 375,000 tons for this purpose. The balance was charged as raw sugar for further processing.

Tobacco.--The average loan rates, and schedules of rates by grades, for CCC loans on 1949 crop Wisconsin tobacco (used principally as cigar binder and scrap chewing), Types 54 and 55, were announced December 2 by USDA. Loans will be available to growers on a grade basis at an average level of 19.8 cents per pound for Southern Wisconsin tobacco (Type 54) and 25.7 cents per pound for Northern Wisconsin tobacco (Type 55). These average prices are 90 percent of the parity prices for these kinds of tobacco as of September 15, 1949. The average rates for the 1948 crop were 20.8 cents per pound for Type 54 and 27.0 cents per pound for Type 55. A total of around 2,000,000 pounds of Type 54 and 3,000,000 pounds Type 55 of the 1948 crop was pledged for loan. Over half of these loan stocks have been sold for producers' accounts.

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NEWELL TO HEAD CROP REPORTING BOARD

S. R. Newell, Deputy Assistant Administrator for Marketing, PMA, became Chairman of the Crop Reporting Board January 3. Newell succeeded W. F. Callander, who retired December 31 after 45 years of Government service.

Mr. Newell, in PMA, had general responsibility for marketing service and regulatory activities, including cooperative work with the States under the Research and Marketing Act.

Roy W. Lennartson, formerly Assistant Director of PMA's Poultry Branch, was named to succeed Newell.

ABOUT MARKETING

The following addresses, statements, and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

Addresses and Statements:

Dairying Can Lead, a talk by Secretary of Agriculture Charles F. Brannan at annual convention of National Cooperative Milk Producers' Federation, New York City, Nov. 8, 1949. 8 pp. (Processed)

To Light Other Lamps, a talk by Secretary of Agriculture Charles F. Brannan at annual meeting of the Association of Land-Grant Colleges and Universities, Kansas City, Mo., Oct. 26, 1949. 13 pp. (Processed)

The High Cost of Error, a talk by Secretary of Agriculture Charles F. Brannan at the annual convention of National Grange, Sacramento, Calif., Nov. 19, 1949. 12 pp. (Processed)

The Present Status of Farm Price-Support Policies, an address by Ralph S. Trigg, Administrator, Production and Marketing Administration, and President, Commodity Credit Corporation, U. S. Dept. of Agriculture, before the Western Political Science Association, Albuquerque, N. M., Nov. 26, 1949. 11 pp. (Processed)

The Livestock and Wool Situation, an address by H. E. Reed, Director, Livestock Branch, before the 89th Annual Convention, California Wool Growers Assn., San Francisco, Calif., Nov. 17, 1949. 6 pp. (Processed)

The Flaxseed Outlook for 1950, an address by George L. Prichard, Director, Fats and Oils Branch, at Annual Meeting of the Flax Institute of the United States, Minneapolis, Minn., Nov. 4, 1949. 7 pp. (Processed)

Some Economic Aspects of the Livestock Industry, an address by Charles A. Burmeister, Agricultural Economist, Livestock Branch, PMA, at Florida State Conference of County PMA Committeemen, Secretaries, and Administrative Officers, West Palm Beach, Florida, Nov. 8, 1949. 8 pp. (Processed)

Publications:

Price-Support Levels, Agricultural Act of 1949, PMA. October 31, 1949. 1 p. (Printed)

Tomorrow's Food, PMA. July 1949. PA-72 Folder (Printed)

The Direct Distribution of Food. (PMA) PA-77, 4 pp. (Printed)

Storage of Dry Shelled Corn in Farm-Type Bins. USDA Circular 826, August 1949. 36 pp. (Printed)

ABOUT MARKETING (Cont'd)

Wheat Price-Support Loan Operations, 1938-1948. (PMA) 11 pp.
(Processed)

Cotton Testing Service. (PMA) Revised Oct. 1949. 29 pp. (Processed)

Relation of Six Elements of Cotton Quality to Strength of 22s Yarn
(Regular Draft), by Crop Year, Variety and Staple Length. (PMA) Prelim-
inary report. October 1949. 61 pp. (Processed)

Marketing of Cotton in Producers' Local Markets. (PMA) September
1949. 95 pp. (Processed)

The National School Lunch Program, 1948-49. (PMA) November 1949.
6 pp. (Processed)

School Lunch Recipes... using Cheese. (PMA) November 1949. 10 pp.
(Processed)

World Flaxseed Situation 1949. Foreign Agriculture Report No. 41,
September 1949. 17 pp. (Processed)

The Wholesale Markets for Fruits, Vegetables, Poultry, and Eggs in
Greater Little Rock, Ark. University of Arkansas, Arkansas Resources
and Development Commission and USDA. June 1949. 64 pp. (Processed)

Regulations Governing the Grading and Inspection of Poultry and Do-
mestic Rabbits and Edible Products Thereof and United States Specifica-
tions for Classes, Standards, and Grades With Respect Thereto. (PMA)
Effective Jan. 1, 1950. 19 pp. (Printed)

U. S. Standards for Grapefruit. Effective November 15, 1949. (PMA)
13 pp. (Processed)

U. S. Standards for Fresh Tomatoes. Effective Dec. 5, 1949. (PMA)
8 pp. (Processed)

U. S. Consumer Standards for Fresh Carrots. Effective Dec. 10, 1949.
(PMA) 4 pp. (Processed)

Regulations of the Secretary of Agriculture Under the United States
Cotton Standards Act. SRA-PMA 153. 26 pp. (Printed)

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